GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1740
ANSWERED ON:25.11.2016
GSTN
Reddy Shri Midhun

Will the Minister of FINANCE be pleased to state:

a) whether Government is aware that Goods and Services Tax Network (GSTN), a Special Purpose Vehicle (SPV) providing IT infrastructure and services to various stakeholders, is dominated by private and foreign stakeholders;

b) if so, the details thereof and the reasons therefor; and

c) whether these private institutions have security clearance by the Government, if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER of STATE in MINISTRY OF FINANCE
(SHRI SANTOSH KUMAR GANGWAR)

a) to b) As recommended by Empowered Committee of State Finance Ministers (EC), the creation of GSTN-SPV was approved by the Cabinet in its meeting held on 12.04.2012 as a non-Government, not for profit (Section 25), private limited Company to be registered under the Companies Act, 1956, with 49 percent equity held by the Central Government and State Governments collectively and 51 percent held by non-Government institutions. Accordingly, GSTN was incorporated on March 28, 2013. The shareholding pattern ensures that Centre individually and States collectively are the largest stakeholders at 24.5% each. In combination, the Government shareholding at 49% far exceeds that of any single private institution. The current shareholding pattern of GSTN is as follows:

Central Government 24.5%
State Governments & 2 UTs & EC collectively 24.5%
HDFC Ltd 10%
HDFC Bank Ltd 10%
ICICI Bank Ltd 10%
NSE Strategic Investment Co Ltd 10%
LIC Housing Finance Ltd 11%

(c) No security clearance was obtained in respect of the private institutions mentioned above.